

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

ANNUAL COMPLIANCE REPORT, 2014

Docket No. ACR2014

**UNITED PARCEL SERVICE, INC.'S MOTION ON CONSENT
REQUESTING CONTINUED ACCESS TO NON-PUBLIC MATERIALS
UNDER PROTECTIVE CONDITIONS**

(July 10, 2015)

United Parcel Service, Inc. ("UPS") respectfully submits this Consent Motion pursuant to Commission Rules 3001.21 and 3007.50, requesting an extension of the continued access to non-public materials the Commission granted in Order No. 2436. In addition, UPS respectfully requests that three additional outside consultants be granted access to the non-public materials which the Commission previously granted UPS's outside counsel and consultants access. See Order Nos. 2321, 2326, & 2436. The Postal Service consents to these requests.

* * *

UPS is preparing a petition concerning analytical principles used in Postal Service costing practices applicable to competitive products. UPS has been working on this effort with expert consultants at the Brattle Group, who have been conducting analyses using non-public Postal Service costing data. In particular, the Brattle Group has been analyzing a subset of the non-public data files the Postal Service submitted in connection with its Annual Compliance Report. These analyses are well underway, and UPS anticipates filing its petition in early September.

On March 27, 2015, UPS sought continued access to the relevant non-public data files. The Postal Service did not object to UPS's continued access to prepare its forthcoming petition, acknowledging "the serious efforts [UPS] has already undertaken to examine specific types of issues" and UPS's long history of participation before the Commission. Postal Service Response at 2 (Apr. 3, 2015). The Commission granted UPS's motion, recognizing "the work that UPS has already performed toward its contemplated rulemaking petition." Order No. 2436 at 5 (Apr. 13, 2015).

UPS limited its initial request for continued access to a 90-day period and indicated that "[i]f, at the expiration of that period, UPS still requires access to the files, UPS will revisit the issue with the Postal Service and the Commission." UPS Motion at 6. That 90-day period expires on July 12, 2015. UPS now writes to request another 90-day extension.

Since UPS's motion was granted, UPS's outside counsel and consultants have worked diligently to prepare UPS's forthcoming petition. While this work was ongoing, UPS has also submitted extensive initial and supplemental comments in the city carrier street time docket and presented an alternate model for the Commission's consideration. See Dkt. No. RM2015-7, UPS Initial Comments & Initial Neels Report (Mar. 18, 2015); UPS Supplemental Comments & Supplemental Neels Report (Jun. 8, 2015). Proceedings in that docket will continue to occupy UPS and the Brattle Group during July. See Order No. 2455 at 12 (Apr. 23, 2015); Order No. 2571 at 4 (Jul. 8, 2015).

Accordingly, and in light of the “critical importance” of costing for competitive products,¹ UPS respectfully requests an additional 90 days of continued access to non-public materials to which the Commission granted in Order No. 2436. This second extension of access should allow UPS sufficient time to prepare the petition and the related data analyses. As noted, UPS currently anticipates filing the petition and the analyses in September.

UPS’s outside counsel and consultants will continue to abide by the terms of the protective conditions they have executed regarding this data, conditions to which the Postal Service did not object when UPS previously sought access to these very same data files and to which it does not object now. See UPS Motion for Access at 2 (Jan. 9, 2015). Among other things, these protective conditions ensure that the data will not be used for any business or commercial purpose.

Finally, UPS also seeks to extend the same access to three additional outside consultants, employees of The Brattle Group. These employees are Dan Luo, Weichen Zhao, and Angela Lam. Each of these outside consultants have signed the same standard protective order as UPS’s current outside consultants and counsel, see Exhibit A, and will abide by the same terms and conditions.

UPS conferred with the Postal Service regarding these requests, and the Postal Service does not object to them.

CONCLUSION

For the foregoing reasons, UPS respectfully requests that (1) this Motion for continued access for an additional 90 days be granted, and (2) the three outside

¹ See, e.g., 2014 Annual Compliance Determination at 85 (Mar. 27, 2015).

consultants listed on Exhibit A be given the same access as the outside counsel and consultants which the Commission has already granted access.

Respectfully submitted,

UNITED PARCEL SERVICE, INC.,

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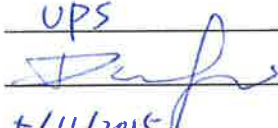
Attorney for UPS

Exhibit A

CERTIFICATION

The undersigned represents that:

Access to these materials provided in the matter identified as Commission Docket No. RM2015-7 by the Postal Service has been authorized by the Commission. The cover or label of the copy obtained is marked with my name. I agree to use the information only for purposes of analyzing matters at issue in the matter identified as Commission Docket No. RM2015-7. I certify that I have read and understand the above protective conditions and am eligible to receive access to materials under paragraph 1 of the protective conditions. I further agree to comply with all protective conditions and will maintain these materials in strict confidence in accordance with all of the protective conditions set out above.

Name	<u>Dan Luo</u>
Firm	<u>The Brattle Group</u>
Title	<u>Associate</u>
Representing	<u>UPS</u>
Signature	<u></u>
Date	<u>5/11/2015</u>

CERTIFICATION

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Name	<u>Weichen Zhao</u>
Firm	<u>Brattle Group</u>
Title	<u>Research Analyst</u>
Representing	<u>UPS</u>
Signature	<u>Weichen Zhao</u>
Date	<u>6/24/2015</u>

CERTIFICATION

The undersigned represents that:

Access to these materials provided in the matter identified as Commission Docket No. RM2015-7 by the Postal Service has been authorized by the Commission. The cover or label of the copy obtained is marked with my name. I agree to use the information only for purposes of analyzing matters at issue in the matter identified as Commission Docket No. RM2015-7. I certify that I have read and understand the above protective conditions and am eligible to receive access to materials under paragraph 1 of the protective conditions. I further agree to comply with all protective conditions and will maintain these materials in strict confidence in accordance with all of the protective conditions set out above.

Name	Angela Lam
Firm	The Brattle group
Title	Research Analyst Intern
Representing	UPS
Signature	Angela Lam
Date	6/24/15